

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

June 1, 2018

**Committee
Report No. _____**

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on May 15, 2018, makes reference to County Communication 17-255, from Councilmember Riki Hokama, relating to amendments to the Fiscal Year (“FY”) 2018 Budget to authorize transfers between categories of use that are within a program or department.

By correspondence dated May 3, 2018, the Budget Director transmitted a proposed resolution entitled “AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF FINANCE, FISCAL YEAR 2018 BUDGET.”

The purpose of the proposed resolution is to amend the FY 2018 Budget within the Department of the Finance by transferring \$10,000 from the Administration Program, Category A (Salaries) to the Accounts Program, Category A (Salaries); and \$36,330 from the Financial Services Program – General, Category A (Salaries) to the Accounts Program, Category A (Salaries) because of a shortfall in premium pay.

The proposed resolution references Section 7 of the General Budget Provisions in the FY 2018 Budget, which restricts disbursements for each program by category of use, with allocations specified for: (a) salaries, premium pay, or reallocation pay (Category A); (b) operations or services (Category B); and (c) equipment (Category C).

The Director of Finance said the shortfall in premium pay is a result from the work required for the implementation of the new payroll system. He said to address the shortfall of premium pay in the Accounts Program, transfers will be made from the Administration Program and the Real Property Assessment Division.

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The Director explained that savings from the Administration Program resulted from the Deputy Director of Finance position being vacant for about three months. He noted the Real Property Assessment division also realized savings from vacant positions and premium pay.

Your Committee voted 7-0 to recommend adoption of the proposed resolution. Committee Chair Hokama, Vice-Chair White, and members Atay, Carroll, Cochran, Crivello, and Sugimura voted "aye." Committee members Guzman and King were excused.

Your Committee is in receipt of a revised proposed resolution, approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions.

Your Budget and Finance Committee RECOMMENDS that Resolution _____, attached hereto, entitled "AUTHORIZING THE TRANSFER OF AN UNENCUMBERED APPROPRIATION BALANCE WITHIN THE DEPARTMENT OF FINANCE, FISCAL YEAR 2018 BUDGET," be ADOPTED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



RIKI HOKAMA, Chair

Resolution

No. _____

AUTHORIZING THE TRANSFER OF AN UNENCUMBERED
APPROPRIATION BALANCE WITHIN THE
DEPARTMENT OF FINANCE,
FISCAL YEAR 2018 BUDGET

WHEREAS, Section 9-10(2) of the Revised Charter of the County of Maui (1983), as amended (“Charter”), provides that, upon written request of the Mayor, part or all of any unencumbered appropriation balance may be transferred within a department by resolution or from one department to another by ordinance; and

WHEREAS, Section 7 of the General Budget Provisions in Ordinance No. 4456, Bill No. 65 (2017), Draft 1, as amended, (“Fiscal Year 2018 Budget”), states that, unless otherwise provided, appropriations for each program may be disbursed for the following categories of use: (a) salaries, premium pay, or reallocation pay, (b) operations or services, and (c) equipment; provided the disbursement is within the program and category of use for which it was appropriated; and

WHEREAS, Section 3.B.4. of the Fiscal Year 2018 Budget, relating to the Department of Finance, sets forth appropriations for the Administration Program, the Accounts Program and the Financial Services Program; and

WHEREAS, pursuant to Section 9-10(2) of the Charter, Mayor Alan M. Arakawa has submitted a written request to transfer an unencumbered appropriation balance of \$10,000 from the Administration Program, Category A (Salaries), to the Accounts Program, Category A (Salaries), and an unencumbered


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appropriation balance of \$36,330 from the Financial Services Program, Category A (Salaries), to the Accounts Program, Category A (Salaries), in order to disburse \$46,330 for salaries and premium pay from the appropriate category; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That, pursuant to Section 9-10(2) of the Charter and Section 7 of the General Budget Provisions, and in accordance with the Fiscal Year 2018 Budget, it does hereby authorize the transfer of an unencumbered appropriation balance of \$10,000 from the Administration Program, Category A (Salaries), to the Accounts Program, Category A (Salaries), and an unencumbered appropriation balance of \$36,330 from the Financial Services Program, Category A (Salaries), to the Accounts Program, Category A (Salaries), for salaries and premium pay; and
2. That certified copies of this resolution be transmitted to the Mayor, Director of Finance, and Budget Director.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY DEOKA
Deputy Corporation Counsel
County of Maui